

# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference : CAM/22UG/MNR/2020/0013

HMCTS code : P: PAPERREMOTE

Property : 139 Henry Laver Court Colchester

**CO3 3DY** 

**Applicant**: Thomas Wilkins

Respondent : Leaders

Section 14 of the Housing Act 1988

Type of application : Determination of market rent

payable.

Tribunal member(s) : Mary Hardman FRICS IRRV(Hons)

Date of decision : 24 May 2021

### **DECISION**

## Covid-19 pandemic: description of hearing

A. This has been a remote hearing on the papers which the parties are taken to have consented to, as explained below. The form of remote hearing was P:PAPERREMOTE. A face-to-face hearing was not held because it was not practicable and all issues could be determined on paper.

#### **Decision:**

1. The Tribunal determined a rent of £825 per calendar month to take effect from 8 March 2021.

#### Reasons

## **Background**

- 2. The Landlord by a notice in the prescribed form dated 28 January 2021 proposed a new 'rent' of £825 per calendar month to be effective from 8 March 2021. On 6 March 2021 the tenant referred the Notice to the Tribunal. This was in lieu of the previous rent of £750 per month.
- 3. No inspection took place due to measures introduced to combat the spread of the Coronavirus (COVID-19) and to protect the parties and the public, particularly those at risk.
- 4. Parties were requested to complete a pro forma supplying details of the accommodation on a room by room basis, the features of the property (central heating, white goods, double glazing, carpets and curtains) and other property attributes and any further comments that they may wish the tribunal to take into consideration. This could include any repairs and improvements that had been made, any comments on the condition of the property and rentals of similar properties should they wish to rely on these.
- 5. They were invited to include photographs and were informed that the Tribunal may use internet mapping applications to gather information about the location of the property and may inspect externally.
- 6. The determination would take place based on the submissions from both parties unless either party requested a hearing. Evidence was submitted by the landlord or the tenant. There was no request for a hearing.

## The Property

- 7. The property is a modern ground floor, two bedroomed flat in a purpose development close to the centre of Colchester.
- 8. The accommodation comprises a living room, kitchen, two bedrooms and two bathrooms.
- 9. There is central heating and double glazing which was installed by the landlord. White goods, carpets and curtains were also provided by the landlord
- 10. There is off-road parking and communal gardens.

### The Tenancy

11. The Tenancy commenced as a contractual Assured Shorthold Tenancy for a fixed term of 12 months from 3 January 2016. A copy of the agreement dated 23 December 2015 was provided. From 3 January 2017 a statutory tenancy on the terms of the written agreement appears to have arisen. Section 11 of the Landlord and Tenant Act 1985 applies in respect of Landlord's repairing obligations

#### The Law

- 12. By virtue of section 14 (1) Housing Act 1988 the Tribunal is to determine a rent at which the dwelling-house concerned might reasonably be expected to be let in the open market by a willing landlord under an assured periodic tenancy-
  - (a) having the same periods as those of the tenancy to which the notice relates:
  - (b) which begins at the beginning of the new period specified in the notice;
  - (c) the terms of which (other than relating to the amount of rent) are the same as those of the subject tenancy
- 13. By virtue of section 14 (2) Housing Act 1988 in making a determination the Tribunal shall disregard
  - (a) any effect on the rent attributable to the granting of a tenancy to a sitting tenant;
  - (b) any increase in the value of the dwelling-house attributable to a relevant improvement (as defined by section 14(3) Housing Act 1988) carried out by a tenant otherwise than as an obligation; and
  - (c) any reduction in the value of the dwelling-house due to the failure of the tenant to comply with any terms of the subject tenancy.

### **Representations – Tenant**

- 14. The tenants stated that a current property search did not show may comparable properties on the market, which they said was likely to be due to the pandemic. There were no equivalent properties in the St Mary's area of Colchester on the market.
- 15. They provided links to letting details of two relatively similar properties which were on the market at the time of the application.
- 16. On was a two bedroom/two bathroom ground floor flat in Salisbury Avenue around half a mile to the south of the subject property and a similar first floor flat to the North East of the centre.
- 17. They said that none of the comparables provided by the landlord were current or had been let this year. They felt with the lack of clear market

evidence and the ongoing pandemic that the just outcome was to continue with the current rent.

## **Representation – Landlord**

- 18. Leaders Ltd on behalf of the landlords said that the 'market values' of comparable properties let recently demonstrated a market value higher than the rent the landlord was requesting.
- 19. They submitted details of a similar property in Henry Laver Court which was on the market for £860 per month from 2 March 2020 to 19 May 2020, and of three further properties in Henry Laver Court which were on the market in 2020. The latest being marketed until December 2020 at £850 per month and a further two bedroomed property in Henry Laver Court on the market to rent until September 2020 at £825 per month.
- 20. There were two further two-bedroom flat comparables in St Mary's Fields, which is nearby. These were on the market at £850 and £825 per month until October 2020.

#### **Determination**

- 21. The Tribunal determines a market rent for a property by reference to rental values generally and to the rental values for comparable properties in the locality in particular. It does not take into account the present rent and the period of time which that rent has been charged nor does it take into account the percentage increase which the proposed rent represents to the existing rent.
- 22. In addition, the legislation makes it clear that the Tribunal cannot take into account the personal circumstances of either the landlord or the tenant.
- 23. The Tribunal assesses a rent for the Property as it is on the day of the hearing disregarding any improvements made by the tenant but taking into account the impact on rental value of any disrepair which is not due to a failure of the tenant to comply with the terms of the tenancy.
- 24. The tribunal has reviewed the comparables provided by both the parties. It accepts that the two comparables provided by the tenant appeared to have been on the market at the time of the application. However, it is not persuaded that the comparables provided by the landlord are particularly historic the latest being let in December 2020.
- 25. A number of these are in the same development as the subject property and provide strong evidence.

- 26. All details provided are of asking rents rather than letting rents and there may have been some negotiation. However, it does not believe that any such adjustment would take these rents below £825 per month.
- 27. On this basis the tribunal believes that the rental value for the property would be in the region of £825 per month and makes its determination on this basis.

# Mary Hardman FRICS IRRV(Hons) Regional Surveyor

# Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case.

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).